

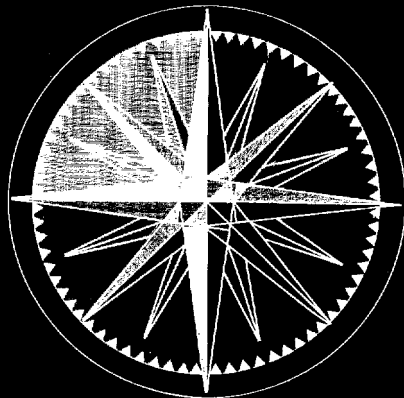
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CURRENT INTELLIGENCE WEEKLY SPECIAL REPORT

GUYANA AFTER INDEPENDENCE

CENTRAL INTELLIGENCE AGENCY
DIRECTORATE OF INTELLIGENCE

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GUYANA AFTER INDEPENDENCE

Guyana received its independence from the United Kingdom on 26 May 1966 amid celebrations only slightly marred by opposition leader Cheddi Jagan's predictions of continued racial and political troubles. Although a state of emergency declared in 1964 was in effect on independence day and still is, Guyana had achieved a tranquility not experienced since the racial rioting of 1962.

The coalition government of Prime Minister Forbes Burnham, which took over power from ex-Premier Jagan in December 1964, has managed to keep the smoldering hostility between East Indians (about 50 percent of the population) and Negroes and mixed Negroes (44 percent) from breaking out again into open violence. It has also made a small start on the road to economic development. The coalition is not particularly stable, although it seems likely to endure until the next elections in late 1968 or early 1969.

Burnham, in fact, despite the continuing threat posed by the at times violent opposition of Jagan and his party, is determined to stay in power. Nevertheless, he has a long way to go to assure his own political future and to give Guyana a basis for long-term internal security, economic health, and a modicum of influence among its neighbors.

The Coalition Government

As the 23rd member of the Commonwealth of Nations, Guyana has a governor general representing the Queen as head of state. Real power, however, lies with Prime Minister Burnham, leader of the predominantly Negro People's National Congress (PNC), who governs in coalition with the racially mixed United Force (UF) led by Finance Minister Peter D'Aguiar.

Burnham is a pragmatic socialist and D'Aguiar a fiscal conservative, and the two are not on the best of terms personally. Burnham complains of his junior partner's lack of political savoir faire. D'Aguiar dislikes many of the PNC's policies and practices, including Burnham's habit of rewarding party supporters with government jobs and his suspected attempt to establish personal control over the civil service.

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Guyana's Political Parties and Their Leaders



PRIME MINISTER
Forbes Burnham



COALITION PARTNER
Peter D'Aguar



OPPOSITION LEADER
Cheddi Jagan

people's
progressive
party
(ppp)

- - PREDOMINANTLY EAST INDIAN - -



PPP GEN. SEC'Y.
Janet Jagan

	SEATS IN LEGISLATURE	PERCENTAGE OF 1964 VOTE	GUYANA'S RACIAL COMPOSITION
G o v e r n m e n t C o a l i t i o n	22	40.5%	Negro and Mixed Negro -44%
	7	12.4%	Portuguese -1% Other European -1% Chinese-Less than 1% Amerindian -4%
	24*	45.8%	East Indian 50%

*Includes 3 former PPP members who have declared themselves independent but often vote with PPP.

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Each of the leaders has reasons to try to continue their co-operation, however. D'Aguiar's reputation as a sound businessman makes the country attractive to foreign investors and the government acceptable to many conservatives who would otherwise be leery of Burnham, his party, and his "socialism," however diluted the latter is in practice. For this reason and because there is a slight possibility that D'Aguiar may attract the support of some influential conservative East Indian businessmen to the Negro-led regime, Burnham is resigned to governing with D'Aguiar and will not seek to get rid of him.

D'Aguiar considers it his patriotic duty to remain in the government. He believes with some justification that no one else is qualified to run Guyana's economic affairs and to keep Burnham from spending the country into bankruptcy. Even if he personally found continued association with Burnham intolerable, he would not be likely to insist that the other UF members of the government withdraw from the coalition. Much as he dislikes Burnham, he dislikes Jagan and his "communism" more, and he would not want to pave the way for Jagan's People's Progressive Party (PPP) to return to power by withdrawing his party from the government.

Both the PNC and the UF, in fact, must keep a weather eye out for the PPP because of their own weakness. Both are having difficulty stimulating interest in party affairs and attracting new

active members. The PNC is beset with financial difficulties. The UF is in danger, through weak organizational work, of eventually losing the support of the Amerindians (native Indians). They are a major source of party strength and were responsible for giving the UF two of its seven seats in the 1964 election. Although Burnham says that he wants to keep the UF alive, he cannot resist trying to attract Amerindian support to the PNC and is thereby adding another source of friction in PNC-UF relations.

The Opposition

It has not been easy for Jagan and his party to accustom themselves to an opposition role after their long period of power from 1953 to the end of 1964. They feared that their electoral defeat--with independence coming along to increase the power of the successor government--meant a permanent loss of any chance to regain office at the polls. The party toyed with using a campaign of public violence to convince the British that Guyana was not ready for freedom. Such a campaign never developed because a moderate-extremist split occurred within the PPP and Jagan was unable to come to a decision on party tactics. While failing to endorse full-scale violence he allowed some sabotage to take place and thus gave Burnham, who quickly discovered the culprits, the chance to imprison some of Jagan's top lieutenants. This was just one of Jagan's many blunders since his defeat.

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Jagan's vacillating and uncertain tactics have lowered party morale and weakened his hold on the PPP, although he is still its leader. To maintain control Jagan has played party moderates and extremists off against one another. Some of the more radical PPP members are trying, with little success, to establish viable rival organizations. The moderates have sought to undermine Jagan's control from within.

The PPP's internal difficulties have not robbed it of its basic strength, the large East Indian population. The East Indians care little for ideological issues and vote PPP simply because they idolize Jagan--no matter how ineffective he may be. Many party leaders, however, despair of being able to return to power by either revolutionary or parliamentary tactics. Violence, they fear, would bring Jagan's imprisonment or proscription of the PPP; an election, they are convinced, would be rigged by Burnham to perpetuate his own power. Faced with this dilemma, the PPP can do little more than conduct a holding operation, strengthening its organization, weeding out dissenters, maintaining the support of international Communist parties, strengthening its control of pro-PPP labor unions, and keeping the racial issue alive.

Burnham's Efforts to Cope With the PPP

Burnham is, in fact, determined to stay in power and keep Jagan out. He fears an attempt

by Jagan to overthrow his government. Even if the PPP leader does not try a forceful overthrow, he is still a threat to Burnham's future. The population growth among his East Indian supporters is faster than among Burnham's Negro backers and it is quite possible that by 1968, in perfectly fair elections, the East Indians would be able to vote their hero and his party back into office. Without Jagan, however, the PPP's appeal would be weaker and the party might easily break apart as rival leaders vied for the allegiance of the East Indian community.

Burnham worked too long and too hard for power to give it up easily, and he is determined that neither Jagan nor anyone else shall succeed him in 1968.

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Burnham is attempting to offset East Indian voting strength by importing Negroes from the overpopulated Caribbean islands. By May 1966 only 171 had arrived, however, and the government, which is already trying to combat a 21-percent unemployment rate, is having difficulty finding jobs for the immigrants. It is doubtful that Burnham will be able to bring in immigrants in sufficient time and numbers to solve his problem.

Another plan would join Guyana with other Caribbean nations in a federation or a unitary state--in which Negroes would be in the majority. This would not necessarily keep Burnham in power in Guyana or give him a pre-eminent position in such a federation, since all principles and details of the distribution of power would have to be worked out by international agreement. Nevertheless, Burnham is optimistic about this scheme and has begun to solicit the views of other Caribbean leaders.

Burnham is more inclined toward constitutional methods than toward drastic action and is diligently watchful for the best "legal" way to remain in power. Until he hits upon an effective and workable scheme, he is likely to continue his present policies intended to avoid provoking the PPP to violence and to give the appearance of willingness to work with the opposition for the good of the country. By so doing he will hope to build his international reputation as a moderate and reasonable leader and thus

lay the groundwork for international acceptance of whatever move Jagan "forces" him to make, if one should become necessary. He will also hope thus to win time and a favorable climate for pursuing national policies intended to increase the stability and prestige of the country, and the welfare of its people. Even in the pursuit of these high goals political advantage will be a constant and paramount factor.

Defense Policies

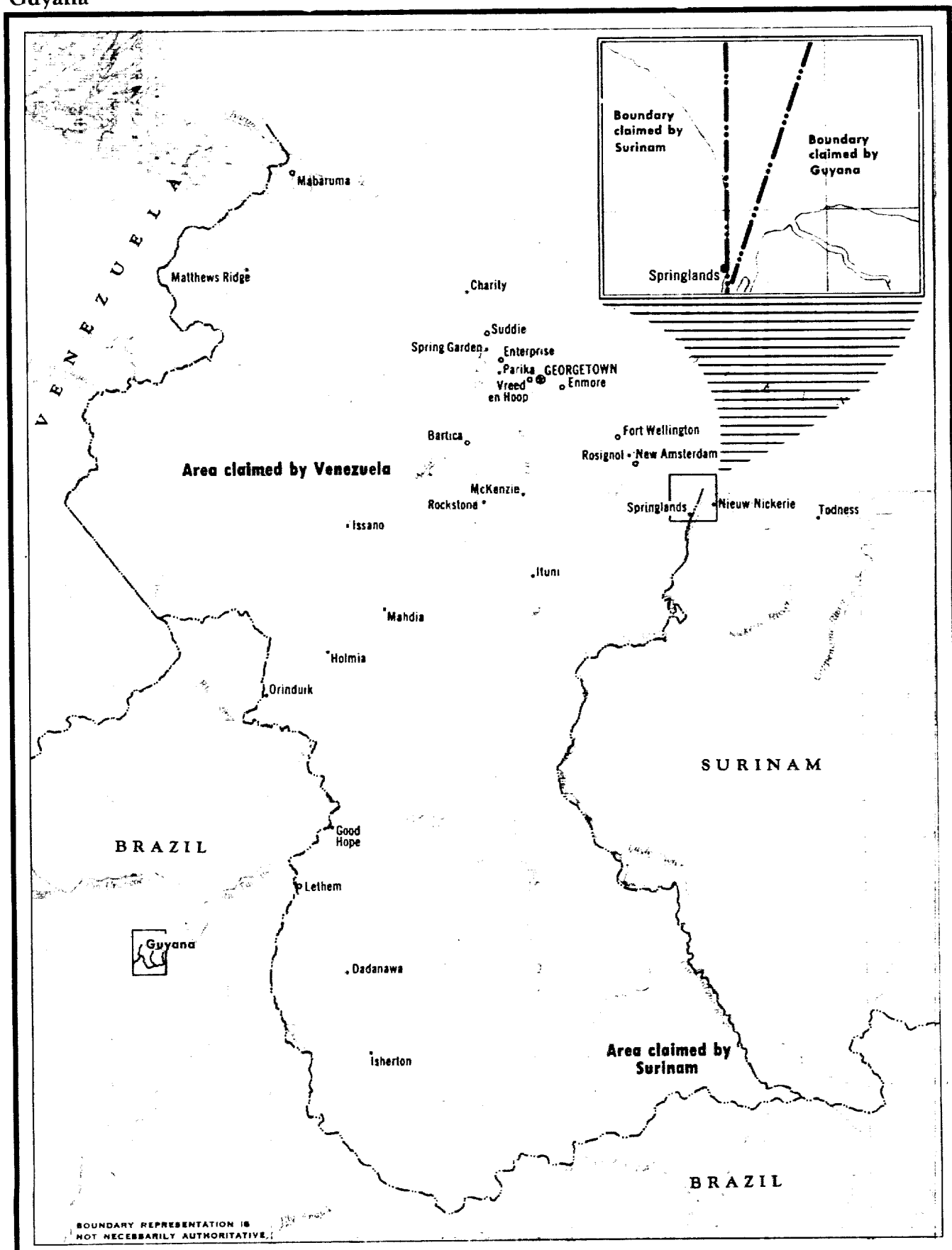
When by agreement the battalion of British troops now in the country departs on 31 October, responsibility for internal security will rest with the 1,800-man police force and the newly created Guyana Defense Force (GDF). The GDF, now in training, will then consist of about 650 men. A reserve unit of approximately 700 is planned, but only about one third of this number will be ready when the British leave. The security forces will be capable of maintaining public order under normal conditions and dealing with sporadic violence. However, their lack of sufficient manpower, equipment, and mobility will make them unable to control large-scale violence, to defend the government against a coordinated attempt at revolution, or to protect the country against foreign attack.

(With Burnham firmly in office Guyana is in no immediate danger of foreign attack. Venezuela's claim to over half of Guyanese territory is currently being reviewed by a joint Guyanese-Venezuelan commission which has four years to reach agreement,

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failing which the parties are pledged to seek a solution through the United Nations. A boundary dispute with Surinam which concerns both a small amount of territory and the rights to possible off-shore oil deposits at the mouth of the Courantyne River is likely to be settled peacefully.)

Recruits for both the GDF and the police are being accepted with a view to creating a racially balanced force--a recommendation of the International Commission of Jurists. There is a danger that the East Indian members of these forces might not remain loyal to Burnham in an emergency. Burnham plans to ensure the loyalty of both forces by political control over their commands but, if violence were getting out of control, he probably counts on asking for and receiving support from British troops.

Economic Policies

Economic development is a major goal of the Burnham government. Every evident move toward economic expansion helps to demonstrate to the electorate that Burnham can attract investment and provide new jobs in a way that Jagan could not. Furthermore, expansion is necessary if Burnham is to provide jobs for the Negroes he hopes to import in order to redress the population ratio.

Burnham's main tasks, therefore, are to alleviate the high level of unemployment and underemployment, especially in the rural areas, to contain the PPP

threat to good labor relations, and to reduce the country's overdependence on its three primary products--bauxite, sugar, and rice. To broaden and expand the economy the government has drawn up an ambitious seven-year development plan which, in order to succeed, will require substantial amounts of capital. On the surface the prospects look good. Foreign aid is being made available and private capital which avoided the country when Jagan was in office is gradually coming in. In addition potentially exploitable mineral deposits have been discovered, plans are under way to add new agricultural products, and various labor-intensive projects, such as road building, are in progress.

In planning Guyana's development, however, Burnham must take both the political and racial situation into consideration. If he concentrates too much energy on aiding the important rural sectors of the country where the East Indians predominate, he runs the risk of antagonizing the urban Negroes who are his main base of support and who make up the largest sector of the unemployed. Furthermore the East Indians would be likely to credit Jagan's agitation with any improvements made in their areas and the government could lose rather than gain political advantage. Burnham realizes, however, that if he does not aid the agricultural sector of the economy he will not only be neglecting the country's most important economic asset (sugar accounted for about 40 percent

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and rice ten percent of 1965 export income) but he will be laying himself open to opposition charges that his regime is governing solely for the benefit of the Negroes. Burnham's balancing job will be made even more difficult by the hostile character of the PPP's opposition--an opposition which almost always puts the good of the party before that of the country. For example, Jagan is already trying to foil Burnham's efforts to improve the inefficient rice industry because the PPP prefers to keep the rice farmers--about 40 percent of the labor force, practically all of whom are East Indians and PPP supporters--poor and discontented in order to exploit their dissatisfaction politically.

Because sugar is of prime importance to Guyana's economy the PPP has long wanted to gain control of the unionized sugar workers. If it succeeded the PPP would then control the two major agricultural industries--sugar and rice. Burnham's government, therefore, is likely to be faced with jurisdictional strikes in the sugar industry as the PPP seeks to replace the progovernment Manpower Citizen's Association with the PPP-controlled Guyana Agricultural Workers' Union as the recognized, legal, bargaining agent for the workers.

Despite the PPP's obstructionist tactics the Burnham government is likely to keep the country moving slowly ahead. Burnham is prepared to deal firmly with Jagan, and the Western powers, anxious to prevent economic conditions that would

favor Communism, are likely to continue to give the prime minister their help.

Foreign Policies

Because the government is to a large extent dependent on Western capital Burnham is likely to maintain friendly relations with the United States, the United Kingdom, and Canada. He is, however, basically a nationalist and will try to avoid foreign domination. Furthermore, because Burnham is sensitive to Jagan's claims that he is merely a "tool of US imperialism" the prime minister will probably seek from time to time to demonstrate "his independence." For example, he recently stated that the former British Caribbean dependencies should unite in order to keep from becoming "satellites of the United States" and although privately he has stated that Guyana will not establish diplomatic relations with the USSR he has yet to turn the Soviets down flat.

Burnham aspires to become the leader of the Caribbean unity movement and together with Barbados and Antigua has already formed the Caribbean Free Trade Area (CARIFTA), an organization he hopes will become the nucleus of a political federation. He is less interested in his Latin American neighbors and has not yet committed himself on membership in the OAS. Even if he should desire membership, Guyana's border dispute with Venezuela is likely to provide a stumbling block because no country otherwise qualified for OAS membership can apply to join while

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engaged in a territorial dispute with a country which is already a member. Guyana nevertheless does want to establish itself on the international scene. It plans to open diplomatic posts in London, Washington (ambassador to be accredited also to Canada), the Caribbean, and the United Nations.

Guyana's relations with Cuba have deteriorated since Jagan's days in office and trade between the two countries has practically ceased. In fact, Guyana's total trade with all Communist countries amounted to only \$144,922 from January through June 1966. Burnham is likely to restrict the PPP's contacts with Communist countries as much as possible and, at any rate, has no plans to re-establish diplomatic relations with Cuba or to open them with the bloc.

Outlook

Guyana's coalition government is likely to remain intact

at least until the next election. It will probably be able to keep the economy moving slowly upward and the security situation under control. It is doubtful that Jagan will attempt to use violence to unseat the Burnham government before the British troops depart, and even afterward fear of reprisals is likely to make the PPP leaders wary of using force. Jagan, however, is almost certain to continue to stand in the way of Burnham's plans for economic development and he may encourage strikes which, as in the past, could lead to violence.

Burnham will push ahead with his plans to overcome the voting strength of Jagan's East Indian followers but he will remain ready to use whatever means are necessary to keep Jagan out of office.

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